

“As planners, we need to show vendors that we’re getting good value elsewhere and that we are going to go after the most competitive rates.”

—Amanda Armstrong, CMP, Enterprise Rent-A-Car

CORPORATE  
MEETINGS

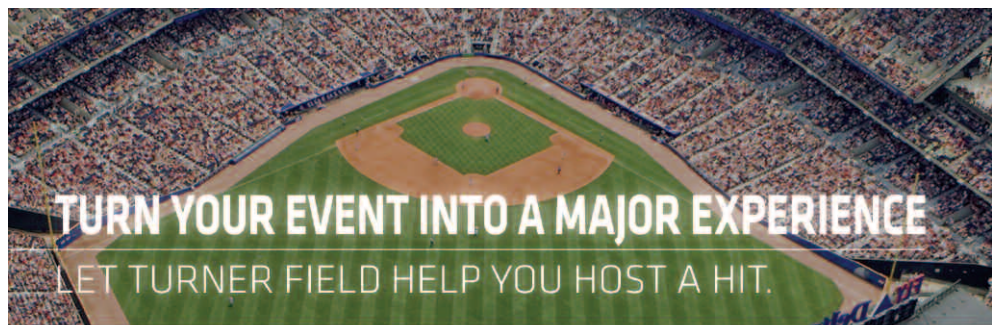
## In A Sea Of Rising Challenges, Here’s How Savvy Corporate Planners Learn To Stay Afloat

By Bill Carter

Evolving trends like social responsibility and regulatory requirements, along with the need to show return on investment and to think strategically, are all keeping today’s corporate meeting planners busy. But, in a seller’s market where suppliers are driving a hard bargain when it comes to rates along with an economy that may be headed toward recession, corporate planners seem to have some basic things on their mind: how to hold the line on budgets and find affordable, accessible and hospitable meeting sites.

It’s these everyday obstacles that continue to be at the forefront for planners like Karen Royan, vice president of Informed Market Intelligence (IMI), a division of Analysts in Media, a New York-based media and publishing company that produces conferences for C-level executives in the industries they serve, such as information technology and manufacturing. “We see costs going up significantly,” she said.

Rising price points are not likely to change, according to the American Express 2008 Global Business Travel Forecast, which reported that hotels remained at record occupancy rates last year. For this year, American Express predicted rates in North America would rise by 4 to 7 percent for mid-range hotels and by 5 to 8 percent for luxury properties. “High demand and limited supply will continue to force ▶



Is there anything better than entertaining at Turner Field? Whether you're hosting a party of 30 on game day or a convention of 30,000 with the park all to yourself—Turner Field is the perfect venue for groups of every size. From stunning panoramic views, to a variety of delicious dining options, to the luxurious amenities and state-of-the-art multimedia capabilities, Turner Field creates a winning experience for you and your guests.

### AMENITIES INCLUDE:

- THE SUNTRUST CLUB • THE PLAZA • THE SPACIOUS 755 CLUB • THE CHOP HOUSE
- THE BRAVES MUSEUM AND TOURS • BRAVESVISION HI-DEFINITION SCOREBOARD

Call Turner Field Special Events at 404.614.2363 or the 755 Club at 404.614.2177 for more information. Or visit us at [braves.com](http://braves.com) and click on Turner Field/Facility Information or go to [755club.com](http://755club.com).



prices up, particularly in demand-heavy markets,” American Express reported.

What’s more, Royan said she is finding that some properties have become less flexible. “There is also now inflexibility in terms of what the resorts can give you,” she said. “They charge you for *everything* now.” In short, Royan said, “While we see costs going up, we see the level of service coming down,” she said, explaining that IMI specializes in what she calls “Seven-Star, white-glove service.” Over the past 18 months, in first-tier meetings destinations, Royan said she has seen service levels decline where her expectations have not been met. “We get sold on what we expect to be the deliverables. However, when it comes down to actually seeing it delivered, we’re told, ‘No. That wasn’t part of the deal.’”

Despite the expense, she added, IMI has no choice but to absorb the extra costs, which in turn reduces their profit margin given the exclusive audience for whom her events are

created, “We deliver what we promise to our audience, so we pay the extra money in order to ensure that we deliver what we have promised to our attendees,” she said.

Similar issues are on the mind of Mary Adams, president of Event Consulting Group in Waldwick, N.J. Adams plans meetings for several corporations and said she’s seeing vendors focusing more on big-dollar events. “A lot of times, I plan smaller meetings, and it has been tough on those clients. The hotels now have ‘special small meetings salespeople,’ yet what that seems to mean, if you read between the lines, is that you are just not going to get the attention that you need.” Adams said she believes small corporate meetings are treated differently and receive less attention from meeting site personnel than in years past.

As a result, Adams said she has become more particular with the suppliers she chooses. “I remember the ones who treated me with the

utmost respect and take my business to them again,” she said. Adams recognizes that there is a need for planners and suppliers to be partners; however, she added that increased turnover in the hospitality industry makes it difficult to maintain relationships. “The turnover is enormous. You can call one day and have an in-depth discussion with a salesperson. Then, the next day, they’re not there any more.”

Amanda Armstrong, CMP, meetings manager at Enterprise Rent-A-Car in St. Louis, agreed that meeting costs are rising. But, unlike Royan and Adams, she accepts price increases as an inevitable market force based on supply and demand. “Rising costs are to be anticipated. When there is not an increase in the supply of hotel rooms and there’s high demand, prices are definitely going to go up.”



Armstrong

## Arlington. All about experience.

Experience an event done right by scheduling your next one with us. We’ll provide you with a team of professionals and excellent service in spacious, top-rated facilities. And, with the North Texas area’s most popular and exciting attractions nearby, it promises to be an experience to remember. Book your meeting in Arlington today by calling 800-433-5374, or visit [Arlington.org](http://Arlington.org).

**ARLINGTON**  
T E X A S

CONVENTIONS CENTRAL

(800) 433-5374 | [www.arlington.org](http://www.arlington.org)

Armstrong said now is the time for corporate planners to become savvy negotiators. "As planners, we need to show vendors that we're getting good value elsewhere and that we are going to go after the most competitive rates." Armstrong said she would plan eight to 10 major meetings this year, ranging in size from 425 to 8,000 attendees. She said it is her job to find suppliers who want a piece of that business and are willing to work with her to provide the best rates.

Jana Swanson, marketing associate at wholesale lawn and garden distributor BWI Companies in Nash, Texas, has been able to avoid significant price increases by taking a tough negotiating stance. This September, BWI, which operates in 15 states in the Southeast, will draw 2,000 attendees to its third consecutive BWI Expo trade show at the Shreveport (La.) Convention Center. Not only is she seeking more affordable destinations, but by leveraging the economic impact of her event on the destination, she said she has been able to maintain BWI's hotel budget and has negotiated to have the Shreveport-Bossier City Convention and Visitors Bureau pick up transportation costs, including airport transfers and shuttles to an outdoor downtown extravaganza catered by a half-dozen local restaurants. "We've always been able to stay within our budgets," Swanson said. "We've never had any issues with that."

The key to negotiating, she said, is "knowing the value of your business to the destination—and using that as a bargaining chip to engineer a win-win situation."

While Swanson said destinations like Shreveport allow her to meet her budget needs, there are drawbacks. She has had to face increasing difficulties with airlift into Shreveport for attendees who arrive from rural markets across the Southeast as airlines have cut back on less profitable routes post 9/11 and especially over the past two years. "The challenge for us now is always the logistics of travel," she said. "Most of our attendees, who are owners of farm and feed stores or nurseries, want to get there and back in two days because they run their own businesses. Some of them will make a little mini-vacation out of it, but a lot of them can't do that. So, getting people in and out can be a challenge." As a result, she said, some important customers have become frustrated with proposed travel

arrangements and have chosen not to attend the show.

In response, BWI has created new incentives for attendance. "We've done some things to hype the show, so they know they need to be there," she said. "For example, we offer special discounts that are only available to attendees at the expo. They are discounts that our customers just can't miss out on."

Like Swanson, Armstrong said she has also experienced increased challenges related to attracting attendees. "For us, having our meetings in a first- or second-tier city is almost essential so we can keep our costs low as far as flying people in," she said. However, Armstrong said she has seen it become more difficult to move people efficiently, especially for the company's largest event, a daily rental



## Meet at Charleston's SUITE SPOT

Oversized Suites. Overlooking The Market.

Imagine your next company event taking place in the heart of historic Charleston. In a hotel where your guests are just a short walk from 4-star dining, Waterfront Park, antebellum mansions, boutiques and horse-drawn carriage rides. Inside, beyond the chandeliered lobby, they'll find over 10,000 square feet of private meeting space. Whether the agenda calls for small work groups or a lavish celebration for up to 350 guests, our Conference Services Manager will see that every detail is tended to. Then, after a productive day, your associates can relax in deluxe kings or one and two-bedroom suites featuring our Sweet Dreams® by Doubletree Sleep Experience.



**DOUBLETREE**  
**GUEST SUITES**  
HISTORIC CHARLESTON

 Hilton HHonors



[www.charlestdoubletree.com](http://www.charlestdoubletree.com) 877-408-8733 Church St. & The Market, Charleston, SC

## Supplier Perspective



Sheila Evans, director of sales, worldwide accounts for Hilton Sales Worldwide - Southern Region, is an active member of Meeting Professionals International and has spent years working to develop strong relationships with meeting planners. Evans said she understands that corporate planners face challenges but believes strongly that there is a way for both planners and suppliers to successfully reach their goals. "It is crucial in our industry that suppliers and planners work together," she said. "And key to a strong partnership is communication. Strong communication helps ensure a win/win for both parties."


Evans said she has noticed that the number of corporate meetings is down, yet meeting expenses are up. Because of this environment, she said, the partnership between supplier and planner has become especially imperative. For suppliers who want to build strong relationships with planners, Evans said listening is imperative. "We should always try to present solutions that are agreeable to both parties. When this happens, it strengthens the relationship between both parties. It is key to understand that each company you are working with has different goals and objectives that must be understood." ■

meeting that draws 8,000 attendees from branch offices across the United States. "That's especially true for a second-tier city, because there are just limited flights," she said. "San Diego is a good example of that. We experienced that there with one of our 2007 meetings, so that made us very aware that we need to be selecting cities that have numerous daily direct flights from major cities." As a result, the conference will be held in Orlando, Fla., this year.

At the same time that Armstrong has elected to use major destinations such as Orlando, Adams said she has discovered the benefits of meeting in second-tier cities. In May, she will stage a meeting for 100 attendees from a medical device firm in San Mateo, Calif. While she has experienced declining levels of enthusiasm for her small meetings business in A-list markets, she said she was pleasantly surprised to see the treatment she gets in mid-sized destinations.

Armstrong said risk management is also on her mind. "You have to assess the risk factors, like having a meeting on the Gulf Coast during hurricane season," she said. "That is a big risk. Going with a hotel chain that is not doing well and could go into bankruptcy is another risk. So, in cases like that, if a meeting were cancelled or delayed, there would be big financial repercussions for the company. It falls within a planner's responsibility today to be looking at those kinds of issues. So, I think that the challenge now is to look at what attendees are taking away from your meetings, and what the risks are that are associated with the meetings. Those are two big trends."

It's also important to educate corporate executives about the increased costs within the hospitality industry, Armstrong said. "At Enterprise, our management understands that costs have been increasing for the last couple of years. And, instead of limiting meetings, they understand that meetings are an important part of the culture of our company. Part of the reason we get together is to recognize the people who have contributed heavily in their departments or regions. We give them face time with our CEO and other top executives. That builds pride, which is a big part of the culture of our company. There are a lot of dollars invested in getting folks to our meetings and making sure the content is applicable to their trade and making sure they are absorbing information," she said. As a result, despite management's strong commitment



**Convention Center with over 76,000 square feet of meeting space**

**Full-service hotels with conference facilities and over 1,950 rooms**


**Accommodate groups up to 3,800**


**Local attractions, arts, shopping, sporting events and golf**


**Easily accessible off I-40**


**Ample, free parking**

**Wireless Internet**









**1-800-509-2444**

**www.hickorymetro.com**

